

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 655 – SB 1281

March 15, 2018

SUMMARY OF ORIGINAL BILL: Requires that all vehicles purchased or leased with funds appropriated by the state for the use by any department, office, or agency of the state to display a vehicle abuse hotline decal. Requires the decal to contain a telephone number or website information through which complaints regarding potential misuse of a state vehicle can be submitted. Requires the Department of General Services (DGS) to establish and maintain such hotline and website for the purpose of reporting abuse of state vehicles, and to further establish procedures for notifying departments, offices, and agencies of the state regarding any complaints received. Requires the DGS to respond to each individual who has submitted a complaint under this section no later than 15 days after receipt of such complaint with any actions taken or comments resulting from the complaint. Requires any cost incurred from this bill be provided within the existing resources of the DGS. An effective date of July 1, 2017.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$11,000/FY17-18
\$1,100/FY18-19 and Subsequent Years

SUMMARY OF AMENDMENT (015150): Deletes and rewrites all language after the enacting clause such that the only substantive changes establish that the sticker requirement only applies to vehicles purchased or leased with funds appropriated by the state and managed by the Department of General Services (DGS) and displaying a governmental service registration plate of distinctive design; however, such requirement does not apply to vehicles used by state law enforcement agencies or the Department of Military. Establishes that for purposes of creating the hotline, and necessary procedures, this act shall take effect upon becoming law; however, for all other purposes this act shall take effect January 1, 2019.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$5,000/FY18-19
\$500/FY19-20 and Subsequent Years

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Assumptions for the bill as amended:

- Based on information provided by the DGS, there are approximately 2,500 state-owned and leased vehicles that would currently require a decal.
- In addition, the state adds approximately 550 new vehicles to the fleet each year to replace older vehicles being removed from the fleet; however, this legislation would only apply to approximately 250 new vehicles each year.
- Each decal is estimated to cost \$2.
- An increase in state expenditures in FY18-19 of \$5,000 (2,500 x \$2).
- A recurring increase in state expenditures beginning in FY19-20 of \$500 (250 x \$2).
- The legislation specifically requires the DGS to use existing resources to fund any cost resulting from passage of this bill. However, requiring the DGS to fund the implementation of this legislation utilizing existing resources does not remove the cost associated with implementation because use of existing funding will result in the need for additional resources to fund other currently-budgeted departmental expenditures. As a result, it is assumed that appropriations from the General Fund will be required.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jdb